GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2488
ANSWERED ON:11.03.2010
MARKETING SYSTEM OF SAIL
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Will the Minister of STEEL be pleased to state:

(a) the details of marketing policy/system of Steel Authority of India Limited (SAIL);

(b) the procedure followed to open the new marketing centres; and

(c) the steps being taken by the Government to strengthen the said system in remote areas of the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF STEEL (SHRI A. SAI PRATHAP)

(a) Materials produced by the 5 Integrated Steel Plants of the Steel Authority of India Limited (SAIL) at Bokaro, Bhilai, Rourkela, Durgapur and IISCO are marketed through the Central Marketing Organisation of SAIL. Special Steel Plants of SAIL viz. Alloy Steel Plant (ASP) at Burnpur, Salem Steel Plant (SSP) at Salem and Visvesvaraya Iron and Steel Plant (VISP) at Bhadravati sell their products on their own.

Based on the assessment of domestic demand SAIL prepares its Annual Business Plan for domestic sales and exports. The All India domestic sales plan is further sub-divided into region-wise plans based on various factors inter-alia SAIL's competitiveness, post sales trend, competitors activities, orders booked etc. Availability for domestic sales is covered through order booking schemes which are valid for a financial year. Customers place their indents on SAIL through Branch sales Offices of SAIL spread across the country and orders are serviced by SAIL either directly from Plants or through its network of warehouses and dealers depending on customers' requirement. Priority is accorded in supplies to Railways, Defence, Government departments/Public Sector Undertakings and Small Scale Industries Corporations.

Order booking guidelines are also advertised in leading daily newspapers and uploaded on SAIL website every year when annual booking for the financial year starts.

The marketing network of SAIL as on 01.02.2010 comprised 37 Branch Sales Office, 26 Customer Contact Offices and 67 Warehouses.

(b) Marketing centres are opened at a location based on the potential steel demand of the area, proximity to existing marketing network of SAIL and strategic requirement of expanding marketing network at the location. Based on these requirements SAIL takes decisions to open SAIL Branch Sales Offices, Warehouses and Dealer outlets.

(c) With a view to widen the reach of the products, SAIL is in the process of expanding its dealer network extensively to cover all the districts in the country. As on 1st February, 2010 SAIL dealership network consists of 1963 dealers spread over 599 districts. As per SAIL Dealership Policy, dealers are required to stock TMT Bars, GP/GC Sheets and other items required by common man and sell to small/retail customers at prices fixed by SAIL. Appointment of dealers in various districts/blocks is aimed at making steel items of mass consumption available near the consuming points in remote areas at competitive prices.